**Design Choices:**

1. **Modularity:**

Classes, methods and functions were used for modularity of code to make it easy for integration into larger programs.

1. **Error Handling:**

The program incorporates error handling to address issues, such as file not found. Custom exception ‘FormatError’ is designed to handle cases where a text file is not provided as input.

**Features:**

1. **Flexibility:**

Users have an option to either provide a text string directly or give a path to a text file as input.

1. **File Type Check:**

Since the program can only process text files, ensures that when the option of providing a file is selected, only a file having the extension .txt is accepted.

**Challenges:**

1. User input validation and handling boundary cases to ensure smooth functioning of program even under unusual cases.
2. Designing various test cases considering different combinations of user input to test the program.